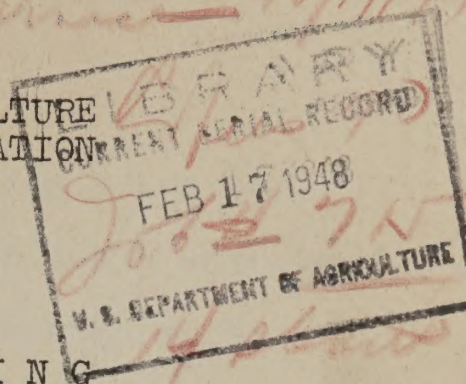


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UNITED STATES DEPARTMENT OF AGRICULTURE
PRODUCTION AND MARKETING ADMINISTRATION
INFORMATION BRANCH
641 WASHINGTON ST., RM. 956
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AGRICULTURAL MARKETING

(Script No. 14.....For Use During The Period
Dec. 22, 1947---Jan. 4, 1948)

PART I: ----- EUROPEAN AID AND THE AMERICAN FARMER (PP 1-7)

PART II: ----- 1947 FARM PRODUCTION AND MARKETING ROUNDUP (PP 8-14)

PART I: ----- EUROPEAN AID AND THE AMERICAN FARMER (7½ minutes)

ANN: The marketing of America's food is of direct concern to everyone --- farmer, distributor, and consumer. Today, Station _____ presents another in a series of broadcasts designed to tell farm and city people more about the latest developments in the field of agricultural marketing.....1948 will be another momentous year for American farmers. The European Recovery Program gives every farmer in this country a big share of responsibility for the success or failure of our international policy. To tell us about some of the likely effects of the Marshall Plan on American agriculture in the months ahead, we've invited to our studios today _____ of the Production and Marketing Administration.....I think it's pretty plain to all of us, _____, that the foreign aid program is going to mean we'll have to keep on making full use of every acre of cropland for at least a few more years.

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PMA: Yes, _____, that's right. For almost ten years now our farmers have used all of their know-how and taken advantage of all the good breaks in the weather to grow more food than ever before. It looks now as if they are going to have to keep on with this effort for several more years.

ANN: A couple of months ago, I believe Secretary of Agriculture Anderson estimated that the foreign aid program would mean continuing high food production for the next four years, at least.

PMA: The Secretary has also pointed out that a large scale foreign aid program would have other important effects on farmers. For one thing the effects of continued high level farm production will be felt principally in the grain-producing areas of the country.

ANN: And of course the grain belt has been called on for maximum output ever since the first months of war.

PMA: That's right. Grain is about the easiest of all foods to handle and store. Even at present high prices hungry nations can still buy more food value per dollar in grain than in practically any other food. That's why about 80 percent of last year's record food shipments were made up of grain.

ANN: So as long as world demand for American food keeps up around the present level we'll have to continue growing cash crops on a lot of land that really should be in grass.

PMA: Exactly. Three-billion-bushel corn crops and billion-bushel wheat crops year after year put a tremendous strain on our soil resources.

ANN: And of course we've got little choice in the matter. Keeping up high production means that we are risking some of our soil. But at the same time our national policy requires that we give every bit of help possible where it will do the most good. We've got to balance the danger of overtaxing some of our land against the danger of collapse of democratic governments in Europe.

PMA: Certainly. The recent disturbances in France and Italy are symptoms of what to expect if we don't help these governments get back on a stable basis. So we'll have to keep our food moving abroad as a sort of calculated risk. We'll need to use every soil conserving measure that will be possible under the circumstances, though....And I think that we'll probably see a lot more emphasis placed on foods other than grain in the foreign aid program. Commodities such as canned goods, dried eggs, and dried fruit are somewhat more expensive than grain but we can easily spare some of these to reduce the demand for grain. But no matter how successful we are in substituting these other foods in foreign shipments, it's likely that grain will continue to make up the largest part of our total food exports. I think we've also got to recognize that in view of our short corn crop last season and other factors continued large grain shipments will mean less meat in this country next year than we had in 1947, and continued pressure on feed prices.

ANN: I think, _____, that while we're discussing the risk involved in sending large quantities of grain overseas we've got to ask ourselves whether we might not be running the risk even if we have no big foreign aid program.

PMA: What do you mean?

ANN: Well, I'm thinking that even if we had no foreign aid program the chances are that these countries which are desperately short of grain would buy every bushel of wheat they could possibly afford --- even before they bought coal, for example. It's a question of survival with them.

PMA: Yes, I believe you're right, _____. It's probably true that foreign aid is increasing the demand for American grain. But it's quite likely that even if we withdrew some of our foreign aid there would still be a big export demand for our wheat. Which brings up another point that's involved in the question of American aid.

ANN: What's that?

PMA: Secretary Anderson has pointed out several times in recent months that this situation in which the world depends on America for half the exportable grain supply involves great risk not only for us but for the very people who are looking to America for food.

ANN: **You're** thinking about the possibility of a severe crop failure in this country, for instance?

PMA: Yes. During the last ten years we've been enjoying one of the best and longest streaks of good crop weather we've ever experienced. But we've had droughts and crop failures before. From our own standpoint the chances are that we could manage to get by a short grain harvest by curtailing livestock feeding even more than we are doing now. But think of what such a failure would mean to those countries who are depending on our grain exports.

ANN: What can be done about that?

PMA: We can't completely insure ourselves and our friends abroad against such a catastrophe. American food is just too important a part of available world supplies. But one thing we must do is help other countries --- such as those in South America --- expand their food production so that they can share some of the production burden.....And, of course, one of the main objectives of the European Recovery Program is to help the participating nations become self-supporting again.

ANN: If I'm not mistaken the 16 nations of Western Europe who met this summer to work out their needs under the Marshall Plan figured that if they could get the assistance they requested their farm production would be back to prewar levels by about 1950 or 1951.

PMA: To help them reach that goal they will need more farm machinery and fertilizer. Of course fertilizer is one item that is quite tight and will probably continue tight if we try to meet all the demands from both American farmers and Europe.

ANN: I understand that a ton of nitrogen increases grain yields by about 12 to 15 tons. So I think we have to weigh the advisability of shipping fertilizer now to reduce the demand for grain later on.

PMA: That's one reason why the Department of Agriculture has asked Congress for authority to continue export controls on nitrogenous fertilizer. There isn't very much of it included in our export program --- less than 10 percent of our commercial nitrogen production. But because fertilizer is so tight all over the world it's very important that we continue to keep this fertilizer going where it will do the most good.

ANN: Does the Department also believe we should have export controls on phosphates and potash?

PMA: Yes. Although these types of fertilizers don't figure much in our export program, the Department feels that export control should be kept on these items to protect American farmers. Potash, for example, is bringing higher prices abroad than here at home. So we need export controls if we are to safeguard supplies for American farmers.

ANN: Well, we've covered a lot of territory in the past few minutes, _____. I guess that proves that there are a lot of angles to the question of how the European Recovery Program will affect American farmers

PMA: Well, _____, it's mighty hard to wrap the question up in a couple of nice neat sentences and we haven't talked about all the effects of foreign aid on U. S. farmers, by any means. But I think that we can all agree that the Marshall Plan is going to require more work and some sacrifices by American citizens.

ANN: At the same time, though, we have to consider what the program will mean to us.

PMA: That's right. Quite apart from the humanitarian and moral reasons why we should help Europe, we have to consider the effect on this country if we don't make aid available. One angle on that is that if these European governments don't get back on their feet soon it will mean that we must mark off those countries as a market for many of the farm and factory products which we will want to sell them in the years to come. But much more fundamental than that is the effect on our entire economy and on peace and security in this world if the western European democracies go under.

ANN: And I think we all realize what that would mean, _____.

(USE FOLLOWING CLOSE IF PART I IS USED AS A SEPARATE SCRIPT.)

ANN:Well, thank you very much, _____, of the Production and Marketing Administration for being with us today to tell us about some of the effects of the Marshall Plan on American agriculture.....Friends, you have been listening to another in a series of broadcasts on agricultural marketing, brought to you as a public service by Station _____, with the cooperation of the United States Department of Agriculture.

(MORE)

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PART II: ----- 1947 FARM PRODUCTION AND MARKETING ROUNDUP
(7½ minutes)

(USE FOLLOWING INTRODUCTION IF PART II IS USED AS A SEPARATE SCRIPT.)

ANN: The marketing of America's food is of direct concern to everyone --- farmer, distributor, and consumer. Today Station _____ presents another in a series of broadcasts designed to tell farm and city people more about the latest developments in the field of agricultural marketing..... Our studio guest today is our old friend, _____, of the Production and Marketing Administration...

ANN:With demand for American farm products from our own citizens and foreign nations likely to continue at the high level of the past few years farmers in this part of the country are drawing a deep breath and getting set to meet the production challenge of 1948. But before we completely turn our backs on the old year I think that a quick review of farm production and marketing during 1947 would be in order. How about that, _____?

PMA: Well, _____, with a few exceptions, farmers in this area, and all over the country, can look back on a highly successful year. I've just been looking at the year-end production summary put out by the Bureau of Agricultural Economics. And that shows that, in spite of a relatively short corn crop, farm production during 1947 was only a little below the average of the past five years.

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ANN: Since those five years saw American farmers reach the highest production levels of history, that's quite an achievement.

PMA: It certainly is. As a matter of fact last year's output was only exceeded by three other years --- 1942, 1944, and 1946. So farmers can feel pretty proud of themselves.

ANN: Particularly when you realize that the weather ~~wasn't~~ nearly as favorable as it might have been.

PMA: That's right, _____. The BAE says that the 1947 growing season must be described as unfavorable --- except for those crops which were sown in the fall of 1946. It took a lot of work for farmers to grow the amount of food they did in the face of all the bad breaks in the weather that came along last year. If you remember, as early as April the weather started to work against farmers. In the area east of the Rockies rains and cool cloudy weather right through the middle of June kept fields from drying out and retarded seeding.

ANN: So even though most crops were planted by July 1 a lot of the acreage was pretty seriously delayed.

PMA: Exactly. Farmers didn't get much of a chance to relax during 1947 from their efforts of the past few years. Of course they were helped somewhat by a considerable improvement in both the labor and the machinery situations. But no matter how you figure it, a lot of sweat and some mighty long hours on the farm were needed in order to keep production during 1947 as high as it was.

ANN: I guess the big wheat crop had a lot to do with that. It was the largest on record, I believe.

PMA: So it was. One billion 365 million bushels to be exact. And that helped to offset the drop in the corn crop, which was about a quarter of a billion bushels under the 10-year average.

ANN: What are the final tallies in the fruit and vegetable field, _____?

PMA: They don't quite reach the totals of last year but both fruit and vegetables are above average. Pear production set a new record, and grapes...while about one percent under 1946.....were 20 percent above average. Commercial apple production was also above average, even though it was six percent less than last year's crop.

ANN:And commercial truck crops?

PMA: The BAE figures that we had nearly eight million tons of the 25 commercial truck crops grown for fresh market.

ANN: That's not quite as good as last year, is it?

PMA: No, 1946 was a record year for fresh truck vegetables and the 1947 total was about 12 percent under that record. However it was still 15 percent above average. And the story is much the same for the commercial truck crops which farmers grew for processing. The total here **is** five and a half million tons --- about 13 percent less than last year's record, but still 21 percent above average... As you know, the national potato crop was down a lot from last year.

ANN: Well as far as potatoes are concerned that cutback probably isn't too serious. As I recall, last year's spud crop was about 100 million bushels above what could be used by the normal market.

PMA: That's right. This year's potato harvest of about 384 million bushels was pretty close to the average of the last ten years, and it was only a little above what the market was able to absorb. For that reason potato price support operations in 1947 were only a fraction of what they were the year before.

ANN: Actually, I don't believe the Government has had to resort to extensive price support operations on many crops this year at all.

PMA: No it hasn't, _____. Farm prices for most crops have held pretty well above support levels during most of 1947. Early in the year, during the season of flush production, the Department of Agriculture had to step in for a time to buy some eggs in the midwest and some turkeys. During the latter part of the year potatoes and dried fruits have needed a little support. And there have been spot purchases of various truck crops such as sweetpotatoes, which threatened to glut local markets from time to time during the heavy marketing season. Other than that the only food crop which has required fairly heavy support during 1947 was peanuts down south.

ANN: On the face of it, it would seem that price support purchases did not cause high food prices during 1947.

PMA: No, they didn't. Secretary of Agriculture Anderson pointed out recently that if all of the Government stocks of food that were acquired under the price support law were dumped on the market at one time it would give Americans only enough for one extra meal during the whole year. Of course price support purchases did help keep the prices of some items from falling below the support level. And that saved many farmers from being penalized for their production achievements. But it hasn't contributed a great deal to the total level of prices during the past year.

ANN: Well, what is the cause of high food prices, _____?

PMA: I'm not sure that there is any single cause, _____. Things like speculation on the commodity markets have certainly put pressure on prices from time to time. But basically the reason for high food prices is the same as the reason for high prices in any other commodity. It's demand..... demand resulting from high consumer incomes in this country and the unusually heavy demands for food for foreign nations.

ANN: Are there any figures on farmers's income from this year's crop?

PMA: Well the BAE estimates that cash receipts of farmers will run about 30 billion dollars. That's about 20 percent more than it was for 1946. But production expenses have also gone up at pretty nearly the same rate. That will leave net farm income in 1947 at about 18 billion dollars --- 20 percent better than it was the year before.

PMA: Of course, a large part of that increase must have come from livestock marketings.

PMA: That's right. Livestock accounted for more than three billion dollars of that total. But prices of other items were up too. Cash receipts from dairy products, for example, were about 500 million dollars greater during the first ten months of 1947 than they were the year before. And poultry receipts were also up somewhat.

ANN: What about fruit prices? They were slightly less than last year, weren't they?

PMA: Just a little. For most fruits grown in this part of the country receipts were pretty near as high as they were in 1946. And vegetable receipts were also near the levels of the first ten months of 1946 --- a few million dollars higher, as a matter of fact.

ANN: All in all then I think that most farmers can agree that 1947 was a pretty good year --- both from the production standpoint and the marketing standpoint.

PMA: I think so, _____. But right now most farmers aren't thinking about last year as much as they are about 1948. The national production goals for the coming year, you know, call for about 9 million planted acres more than we had in 1947 --- which means that farmers are being called on for production totals that aren't much different from the high wartime level.

ANN: Farmers already seem to have made a start toward that --- judging by the latest report on the winter wheat crop.

PMA: That's right, _____. The condition of the winter wheat crop on the first of December was a lot better than many of us had dared to hope for. Of course, we probably won't get anything like the billion bushel winter wheat crop which was harvested in 1947, but the best estimate is that the crop will be 838 million bushels. That's 200 million bushels better than the ten year average.

ANN: Well, _____, it looks as if our time is about up. Thanks for being with us today to give us a quick review of farm production and marketing in 1947..... Friends you have been listening to an interview with _____, of the Production and Marketing Administration, on another in the series of broadcasts on agricultural marketing. This has been a public service presentation of Station _____, brought to you with the cooperation of the United States Department of Agriculture.

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1941

... Farmers already seem to have made a great forward step ...
... by the latest report on the winter wheat crop.

1942

... The condition of the winter wheat crop on the first of December was a lot better than many of us had dared to hope for. Of course, we probably won't get anything like the billion bushel winter wheat crop which was harvested in 1937, but the best estimate is that the crop will be 825 million bushels. That's 500 million bushels better than the ten year average.

1943

Well, it looks as if our time is about up. Thanks for being with us today to give us a quick review of farm production and marketing in 1942.... Friends you have been listening to an interview with _____ of the Production and Marketing Administration, on another in the series of broadcasts on agricultural marketing. This has been a public service presentation of Station _____ brought to you with the cooperation of the United States Department of Agriculture.
